Private Club TECHNOLOGY update

The Future of Club Technology … What to Expect in 2028.
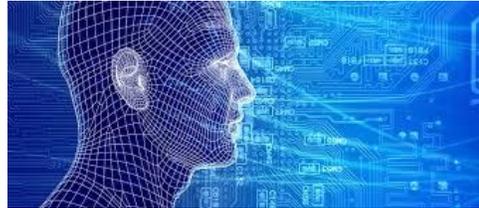
Recently I had the opportunity to co-present an education session at the inaugural HFTP Club Summit in New Orleans. The session title was "The Innovative Club of the Future". My topic was, of course, technology. Rather than present a traditional technology trends session that looks 2-3 years out on the tech horizon, I decided to look much farther out – a decade in fact – to see how technology will be used by private clubs in ways that today are not even imagined by the industry.

I began by thinking about who the club members will be ten years from now. Who the board members and committee chairs will be. Who the movers and shakers in the memberships will be. And one thing became very clear. Those folks will be a whole new generation.

Generational Context

To understand what club technology will be like a decade from now, you need to know just three facts:

1. In April 2016 Gen X (77 million) surpassed Baby Boomers (76 million).
2. 10 years from now the YOUNGEST of the Boomers will be 64.
3. 10 years from now almost all new members will be Gen X or younger (Millennials).

We know quite a bit about the tech characteristics of Gen Xers. For instance, they are the first generation to grow up with technology. They use technology as a mainstream activity. They conduct most of their business and social interaction on their mobile devices. In club governance they will expect technology to be used throughout the club's operations. And they will expect to have access to robust business intelligence and data mining.

In This Issue

- ✓ The future of club technology…
- ✓ Generational context.
- ✓ Enhancing the individual member's experience.
- ✓ Predicting the future.
- ✓ Member reliance on the club's mobile app.

How to Subscribe

Services We Offer

The Boothe Group, LLC provides independent, unbiased technology consulting services to the private club industry, including:

- • Strategic IT Planning
- • Software Reengineering
- • Software Evaluation & Selection
- • Network Security Analysis
- • Online Technology Education

Generational Context (continued)

This Gen X tech-savvy orientation is a sharp departure from the current ruling class – the Boomers. While Boomers are embracing technology and are receptive to new advances, they are not completely comfortable in a tech environment. Gen Xers are not only comfortable with technology, they are comfortable with new and cutting-edge technology – and they are constantly seeking ways to use technology in every facet of their lives.

Fast forward a decade and we might imagine a technology environment very different from what we see today in most private clubs. Here are three concepts to consider for 2028.

1. Technology will focus on enhancing the individual member's club experience.

Currently the primary focus of club technology is on "operations" such as accounting and billing, POS and inventory, sales and activity reporting, payroll and timekeeping. And that technology focuses on either the membership as a whole, or on subgroups of members (golfers, tennis players, members who frequent the fitness center or spa, members who spend a lot in F&B). However, notice the word "individual" in the title above. Future club technology will be person-specific. The focus will be on using technology to enhance the individual member's club experience. A number of technologies will be deployed to accomplish that task.

➢ **Member Name Recognition**

Greeting members (and their family members) by name has been the Holy Grail of club manage-ment since the first club opened its doors hundreds of years ago. High priority, yes. Good results, no. Technology will change all that. Using simple member recognition devices called beacons, club staff will see photos with names of members as they approach – at the valet, bag drop, front desk, dining room podium, golf and tennis shops. Staff may not initially know the approaching member, but they will surely act as if they do. And over time this repetition of coupling photos/names with live bodies will solidify staff's memories.

➢ **Member Preferences**

Greeting members by name is a good start. But how about taking recognition to the next level by anticipating member needs and knowing in advance their preferences? Again, technology will make this a reality. Clubs have been gathering member preference data for decades, mostly through their POS systems. What's been missing is an ability to mine that data in a meaningful way to create robust preference profiles for each member of the family. An array of other technologies including member opt-in groups on the club's website, instant surveys (a version of Net Promoter), and social media data mining will combine to establish a robust preferences profile for each member, spouse and child. These preferences will influence staff actions and decisions at POS and reservations, and will customize staff-to-member interactions.

- ➤ **Club-to-Member Communications**

  Blast emails to the entire membership promoting every club activity under the sun? No more. A decade from now each member will receive customized communications from the club tailored to his or her individual interests and tastes. In the form they prefer. To the platform they prefer (text, email, Facebook, Twitter, etc.) At the frequency they prefer. Unwanted and irritating communications will be a thing of the past.

- ➤ **Social Media Metrics**

  Members have opinions – about everything – including their club. And they are expressing those opinions on a variety of social media platforms. Existing technologies can gather member opinion data from social media sites, analyze that data to determine member sentiment, and advise club management on appropriate responsive actions. This technology is so advanced it can analyze the text in an individual member's social media postings to understand the meaning behind that person's statements. The club industry is still a few years away from having access to this technology, but by 2028 the more advanced clubs will be utilizing social media metrics to learn what their members are really thinking – and will be reacting accordingly.

2. Business intelligence will focus on predicting the future.

In today's world of club management, the focus of business intelligence is on data from the past. Departmental revenue and expenses, activity levels (covers, rounds, visits), membership changes (adds, changes, resignations), year-to-year trends, KPI's, ratios, benchmarking. All pointing backward. Leaving club management to forecast the future using very limited projection tools, or simple guesswork based upon past experience. A decade from now clubs will be using advanced technologies to accurately predict their futures – on a variety of fronts.

- ➤ **Future Membership Composition**

  Predictive data will be generated to forecast membership trends. Members by category, age, activity, and family demographics.

- ➤ **Future Member Activity Levels**

  Forecasting membership amenity usage. Dining and club events. Golf. Tennis. Fitness. Wellness. Social Events.

- ➤ **Future Impacts on Infrastructure**

  Predicting allocation of space (expansions, additions, retractions). Clubhouse design and utilization. Timing of capital projects.

- ➤ **Future Needs for Capital Funding**

  Forecasting the funding needed for individual capital projects. Timing of spending. Adequacy of current funding mechanisms.

3. The club's mobile app will be the focus of off-premise member activity.

Ten years from now virtually every private club will have a robust mobile app that the membership values and depends upon. Members will use the app as their offsite gateway to the club. They will make reservations for events and dining, golf, tennis, wellness, fitness and lodging. They will access the club's calendar of events and conduct member-to-member communications. They will manage their billing account and conduct member-to-club communications.

Conversely, clubs will use the app to communicate and transact business with the members. Websites will remain but will be used primarily by prospective members and guests, or by members seeking detailed information such as board meeting minutes or governance documents.

In 2028, the club's mobile app will be the membership's offsite lifeline to the club.

What does all of this mean for your club?

Big picture - the private club industry will need to get serious about providing advanced technologies for staff and member use. The Gen X board members, committee chairs and members at large will demand that technology take center stage at your club. Technology budgets will double or even triple. Club IT expertise will be greatly enhanced – either through hiring IT professionals or outsourcing to qualified companies. Start preparing now. 2028 will be here before you know it.

TBG The Boothe Group, LLC

About Our Services… IT Strategic Planning

This is one of our most popular consulting services for private clubs. We begin with a thorough review of each club department's technology needs—software, equipment and connectivity. Our review explores all facets of technology available to the club. We then evaluate and prioritize each area of technology. Finally, we create a five-year technology implementation plan and budget – to create a roadmap for management to follow over the coming years. For more information on this and other services we offer, visit our website at www.boothegroup.com.